CANADEXPORT

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ABORIGINALS URGED TO TAKE CONTROL >

What does it take to succeed in business?

Countless volumes have been written on what makes a businessperson successful. While each has its own angle, most acknowledge that it's a combination of key traits. According to one expert on the subject, it takes a mix of intuition, wisdom, creativity, innovation, entrepreneurial giftedness and managerial talent.

Finding success in business requires a combination of key traits, says one expert.

Larisa Shavinina, an internationally renowned professor of management at the *Université du Québec en Outaouais*, points out that the brightest names in business can pull from an array of entrepreneurial tools at their disposal.

"When Michael Dell decided to expand his young computer company internationally, they told him he was out of his mind," she says. Yet Dell's first international expansion was to the United Kingdom in 1987 and the business was profitable from its very first days.

According to Shavinina, all but one of the 22 reporters at the press conference announcing Dell's expansion predicted failure. They said it was a bad idea, that the direct business model was an American invention that would not work in other countries. Even Dell employees believed it was silly.

So what does Dell's success say about leadership? In his own words, the lesson is "believe in what you're doing. If you've got an idea that's really powerful, you've just got to ignore the people who tell you it won't work, and hire people who embrace your vision."

Shavinina says that it was also tough going for other business superstars, like Sony's Akio Morita.

Morita could not find American distributors for Sony products—the same line of products that later included Sony's ubiquitous (and profitable) Walkman. "Sony's Walkman is one of the best examples," says Shavinina. "It emerged despite strong market research

see page 7 - Market research

CanadExport to go electronic!

Starting in November 2006, *CanadExport* will be moving to an electronic format distributed by email.

Like the paper edition, the new *CanadExport* will provide trade news and events, advice and market intelligence to exporters every two weeks. But it will also have expanded content, be delivered on a more timely basis and contain live links that connect exporters to websites including *InfoExport*, *Invest in Canada* and *ExportSource*. It will also link to trade commissioners directly.

Current subscribers should watch this space for further details or send their name and subscriber number by email to canad.export@international.gc.ca to be on the new mailing list. We're confident that you will enjoy and profit from the new *CanadExport*.

Foreign Affairs and International Trade Canada | Affaires étrangères et Commerce international Canada

Canada

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Aboriginals urged to take control of their businesses

When it comes to economic self-sufficiency, Canada's Aboriginals have made good progress over the last 10 years. Aboriginal self-employment is up 30%, nine times the rate for non-Aboriginal Canadian businesses. In addition, more than 20% of these Aboriginals work in higher knowledge industries.

Brad Cline of Aboriginal Business Canada, a public-private sector partnership out of Industry Canada, says Aboriginal entrepreneurs are performing increasingly well. He points out that profits for these firms are up 11% since 1996 and that two-thirds of entrepreneurs anticipate future growth.

But some say Aboriginal businesses can do more to leverage their bottom lines.

Chief Clarence Louie, head of the Osoyoos Indian Band Development Corporation and a vocal proponent for Aboriginal economic development, says that bands must look to more than just health, education and social services. "I believe that you can never be healed or well until you have a job," he says.

Louie is behind the successful Nk'Mip Cellars of Osoyoos, British Columbia, North America's first Aboriginal-owned and operated winery, and a number of other successful businesses. Now the band leader is taking his message to Aboriginals around the world.

Louie was among a Canadian delegation of successful Aboriginal business leaders that were invited to speak at the First Nations Economic Conference held in Sydney, Australia, this past summer. The conference was designed to bring Aboriginals together from around the world who are engaged in developing the emerging Indigenous business landscape. Echoing Louie's push for putting economic development at the forefront was Joseph Elu, chairman of Indigenous Business Australia. "Participating in the global economy is no longer an option for Indigenous Australians, it is a necessity," says Elu. While leaders agree with Elu, they acknowledge that challenges remain for the world's Aboriginal communities.

"Gaps still remain between Aboriginal and non-Aboriginal people in terms of income and employment and there is limited access to start-up capital," says Cline, who was also invited to speak at the conference. "In many cases, isolation from market opportunities is a challenge too."

In his presentation, Louie asked Aboriginals to take a look at what they can do to better prepare themselves for the business world and become self-supporting people. "Our young people need to develop the necessary skills so they can earn their jobs in the future. We must take ownership of our problems." He cites drug and alcohol abuse, dropping out of school, absenteeism and punctuality, a sense of entitlement and the abandonment of their culture as some of the problems.

Elu says the conference was an ideal place for Aboriginal entrepreneurs to showcase their abilities, but more importantly to prove that they are capable of producing more than didgeridoos and bark paintings—something Canadian Aboriginal entrepreneurs have done by moving beyond arts and crafts into sectors like high-tech, education and social services.

For more information, contact Joanne Spanton, Industry Canada, email: spanton.joanne@ic.gc.ca, or Catriona Smith, Foreign Affairs and International Trade Canada, email: catriona.smith@international.gc.ca, websites: www.camsc.ca, http://ibaconference.com.au.

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EDC makes Nigeria a safer place to do business

Export Development Canada is bringing leading Nigerian bankers to Canada to introduce them to potential Canadian suppliers and investors as part of EDC's efforts to develop business in this largely unfamiliar emerging market.

As Sub-Saharan Africa's second-largest economy and a major oil exporter, Nigeria is quickly emerging as a promising market for Canadian exporters and investors. Democratic elections in 1999 marked a turning point in the country's history and the beginning of a period of hope and economic development.

Over the past few years, Nigeria has settled its multibillion-dollar debt, obtained a credit rating of BB minus and achieved consistent growth figures of more than 5%.

Lorne Cutler, a senior advisor with the Canadian agency, says "the country's most significant achievement has probably been to completely restructure and recapitalize its banking sector. The number of banks has dropped from 89 to 25 and the minimum capitalization has increased to about US$190 million."

Nigeria's rising international investment profile is being driven by the market's untapped potential. Nigeria has Africa's largest population. It ranks 10th in terms of its share of world oil reserves and 7th for natural gas. But the picture isn't all rosy.

Reducing the risk

"In spite of the improvements and opportunities, Nigeria remains a challenging place to do business. From finding reliable buyers to protecting against the risk of non-payment, Canadian exporters need to be cautious," Cutler says.

To help Canadian companies capitalize on the opportunities in Nigeria, particularly with the private sector, EDC is providing Nigerian banks with short- and medium-term support. To this end, it has signed medium-term lines of credit and cooperation agreements with several leading Nigerian banks.

As one of the few sources of medium-term financing in Nigeria, the Canadian agency is in a strong position to work with Nigerian banks in directing their customers to Canadian suppliers, says Cutler. Moreover, if the transaction is being championed by one of EDC's Nigerian banking partners, the risks for investors may be reduced. That is good news for Canadians businesses.

Banking opportunities

One of today's business realities is that Canadian companies know little about the opportunities in Nigeria and Nigerian banks know even less about Canadian capabilities. In order to close this gap, EDC has organized a mission of leading Nigerian banks to Ottawa, Toronto, Calgary and Montreal in late November.

Nigeria has made improvements when it comes to corruption, but Canadian entrepreneurs still need to be cautious.

The purpose of the mission is to introduce Nigerian banks to leading Canadian companies so that they can learn more about Canadian capabilities first-hand. The seminars will also provide an opportunity for the Nigerians to present the procurement plans of their customers. EDC will use this opportunity to demonstrate how its financing and insurance products can bring buyers and sellers together.

The seminars will cover how EDC is working with Nigerian banks to support Canadian exporters, how Nigerian banks work with their customers, particularly with respect to influencing procurement decisions and outline the specific services that Canadian officials can provide to Canadian companies to help them understand specific Nigerian buyers.

For more information, contact EDC, email: Africa@edc.ca, or contact Rizwan Haider, EDC's Sub-Saharan Africa Regional Manager, tel.: (613) 598-3234, email: rhaider@edc.ca, or Lorne Cutler, EDC's Senior Advisor for the Africa, Europe and Middle East Group, tel.: (613) 598-2745, email: lcutler@edc.ca.

Virtual Trade Commissioner

Access a World of Trade Knowledge

Discover new business opportunities

Are you looking for ways to make the most of international opportunities? Could you use reliable contacts, relevant intelligence and the chance to network with potential clients and partners? If so, read on!

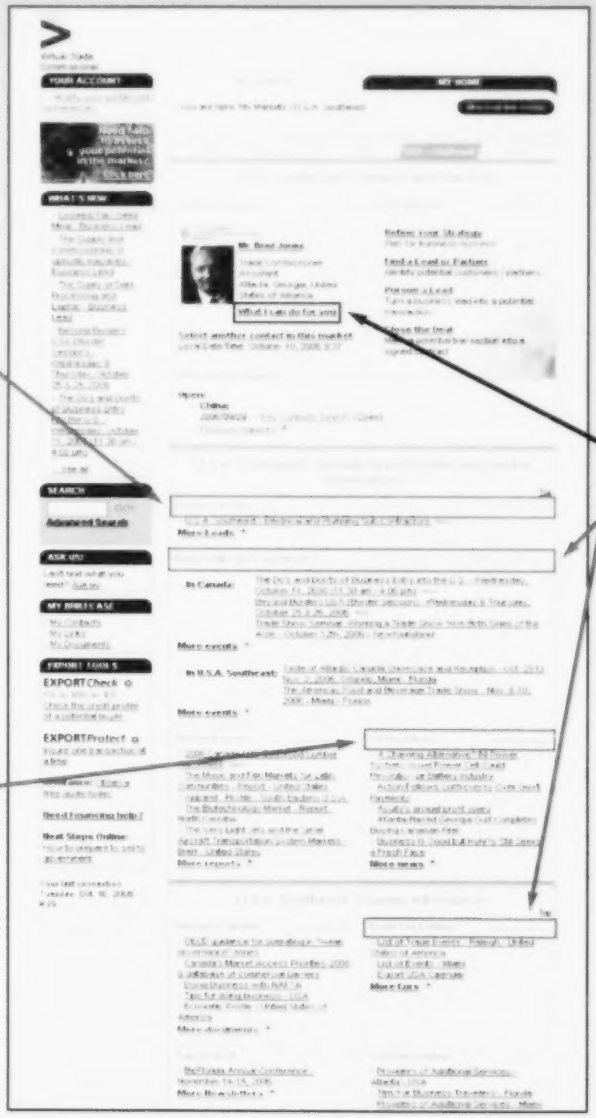
Your Virtual Trade Commissioner (VTC) provides access to business leads, news and key international opportunities. You can even request personal services from a trade commissioner located in your target market. Keep on reading!

Discover qualified leads

Canadian trade commissioners abroad, in collaboration with the International Business Opportunities Centre, deliver eligible leads exclusively to VTC users. Looking to expand your search in more markets? Click on "More Leads."

Gain insight into your sector

Through your VTC, you can access news items that match your business interests pulled from over 7,000 sources. This invaluable information, updated daily, can keep you informed of events that could affect your company's growth.



For more information on the Virtual Trade Commissioner, or to register, visit:

www.infoexport.gc.ca

Build networks and strategic alliances

Trade shows, missions and events are excellent opportunities to discover business leads and further develop your network of contacts. Use your VTC to keep up to date and to register online for special events.

Pull it all together with help from a trade commissioner

All the content available through your VTC goes hand-in-hand with the experience and knowledge of a trade commissioner located in your target market who specializes in your industry sector. Ask for a "Key Contacts Search" to obtain a list of qualified contacts in your target market. Once you have found a promising opportunity, ask for a "Market Prospect" to learn more about it.

To contact a trade commissioner abroad, select "My Markets" at the top of your page, and click on "what I can do for you." It's that easy!

Letter from abroad: eight steps to filling international orders

An unsolicited order from abroad or a request for a bid on a foreign contract can be a surprise introduction to the world of exporting. But the process can also be fraught with pitfalls, especially for new entrepreneurs. Here are eight simple steps to ensure that you are ready to handle the new business.

First, understand the request. Once you are clear on what is being requested in the international order, determine whether you are able to fulfil the request (i.e., the product or service requested, the time, the price and the terms). This may involve consultations with a number of people within the business, as well as key partners such as financial services providers.

Can you handle the sale? Exporters must know what they're getting into so they can be prepared.

Second, know the challenges. What are the market conditions and the potential complexity of the transaction? There may be export and import regulations and controls that will affect the transaction. Cost for permits, if necessary, must be considered as well as regulations governing packaging and labelling. Without a clear understanding of these and other critical market factors, a perceived opportunity can quickly become an expensive and time-consuming mistake.

Third, evaluate the costs. It is essential to calculate the full cost of fulfilling the order. These include the preparation of export documents, labelling, packaging and transportation expenses, customs and duties applicable to the particular product and insurance and other related charges for financing and securing the transaction.

Once the information about costs has been gathered and analysed, draft an accurate quotation. This will become a legally binding document comprising the terms of the transaction. It is important to create a clear and thorough quotation to avoid confusion and disagreements with the prospective client.

Before you send the quotation, review the feasibility of pursuing the transaction to ensure it is the right decision for you and your business. This is the critical fifth step. Can you handle the order without additional resources? What trade barriers and risks may be encountered and how can they be addressed? The answers to these questions will determine whether changes must be made to increase your price, for example, or whether the bid is worth pursuing.

Prepare to negotiate

Sixth, it is quite likely that the prospective client will wish to modify or alter some of your terms, such as price, delivery date or shipping methods. This type of negotiation is normal. However, it is also important to determine how potential changes to the quotation will affect the profitability of the transaction for your business.

Next, prepare a formal contract. International transactions vary in complexity and it is advisable to seek experienced legal assistance to produce a clear, comprehensive and legally binding document that protects both you and the prospective client.

Finally, get all your partners on side. With a signed contract in hand, it is time to enlist the necessary resources involved in the process of fulfilling the international order. This team may include people in operations, manufacturing, marketing, shipping and finance. Working together, and having prepared in advance, this team will encounter few surprises as it impresses its new international client.

For more information, consult Responding to Unsolicited Orders at www.exportsource.ca/orders. For more information on exporting, contact Team Canada Inc's toll-free Export Information Service at 1 888 811-1119 or go to www.infoexport.gc.ca.

Canadian companies connect at CeBIT

Hannover, March 15-21, 2007 > When it comes to securing information technology business deals, **CeBIT** is the place to be. No other information and communications technology trade show can attract 435,000 visitors.

Last year, more than 58 Canadian companies attended.

That's because CeBIT offers Canadian companies the opportunity to connect with the entire world at one venue, launch new products, meet face-to-face with potential customers, establish distribution channels and generate brand awareness. It also allows Canadian ICT companies to tap new market opportunities in the European Union, Asia, the Middle East and the Americas. A Canadian communications pavilion is being organized and is open to qualifying exhibitors. The Ontario government, through its Ministry of Economic Development and Trade, is organizing an Ontario software pavilion. There are also opportunities for Canadian companies to join a special group display for Internet Protocol-related products and services.

For more information on exhibit options, contact Co-Mar Management Services at 1-800-727-4183, email: info@hf-canada.com, websites: www.hf-canada.com or www.cebit.de.

For information on ICT opportunities in Germany, contact Cliff Singleton, Canadian Consulate in Munich, tel.: (011-49-89) 2199-5717, fax: (011-49-89) 2199-5757, email: cliff.singleton@international.gc.ca, website: www.infoexport.gc.ca.

Canadian pavilion set for Arab health fair

Dubai, January 29 - February 1, 2007 > For the seventh consecutive year, the Canadian Consulate in Dubai will be organizing a national pavilion at **Arab Health**, the region's largest and most important health exhibition.

Arab Health is the ideal forum for Canadian companies to demonstrate the latest health products and technologies in one of the world's fastest growing healthcare markets.

The market for healthcare products, services and expertise is strong throughout the Gulf region. In the United Arab Emirates alone, the government is planning to double its hospital bed capacity over the next decade. With the recent launch of the Dubai Healthcare City mega project, Canada could share its capabilities and expertise.

For more information, contact Fouad Soueid, Canadian Consulate in Dubai, email: fouad.soueid@international.gc.ca, or Venky Rao, Organiser's agent in Canada, tel.: (905) 896-7815, email: arabhealth@rogers.com, website: www.arabhealthonline.com.

Success on the menu at Gulfood 2007

Dubai, February 19-22, 2007 > Canadian exhibitors will be cooking up new business at the **Gulfood Hotel & Equipment Exhibition and Salon Culinaire**. Gulfood is the largest and fastest growing food show in the Middle East, and offers a one-of-a-kind opportunity for Canada's agriculture and food exporters to expand their reach in the region.

As the world's third-largest re-exporter—72% of the UAE's imports are sent to 160 countries—Dubai offers Canadian exporters a world of opportunities. In Dubai, the hospitality sector is undergoing rapid growth, with 50 new five-star hotels and over 18,000 new rooms expected by 2010. At over $3 billion annually, the region relies heavily on imported foodstuffs and has a growing appetite for Western-style food.

Gulfood attracts a wide range of importers, distributors, retailers, hotel and restaurant industry representatives and manufacturers. At last year's event, the show featured close to 2,200 companies from 70 countries and more than 32,000 visitors.

Agriculture and Agri-Food Canada (AAFC) and the Canadian Consulate in Dubai are organizing and managing the Canadian pavilion at Gulfood 2007.

Booth allocation will be on a first-come, first-served basis. **For more information**, go to www.ats.agr.gc.ca/gulfood, or contact Judy Gaw, AAFC, tel.: (613) 759-7722, email: gawj@agr.gc.ca, or Tracy Mortenson, Canadian Consulate in Dubai, email: tracy.mortenson@international.gc.ca.

Market research is just one factor - continued from page 1

that suggested that there was no demand for this kind of product, but only Morita's intuition saved it. The professor points out that while one can't underestimate the power of market research, it is just one factor among many that can make a product or service a big seller. She says it's important to emphasize a combination of business traits because if, for example, intuition fails an exporter, then managerial talent, market research and creativity can pick up the pieces. "We know that if exporters have highly developed compensatory mechanisms, success is more likely."

"An innovative business is one which lives and breathes outside the box. It is not just about ideas. It is a combination of good ideas, motivated staff and an instinctive understanding of what your customers want, and then combining these elements to achieve outstanding results"
—Richard Branson

Of these traits, intuition may be the most powerful. Herbert Simon, who won a Nobel prize in 1978 for his work on decision-making and problem-solving, explained why it is impossible to make any important decision simply by gathering and analyzing all the facts. According to Simon, there are too many facts and too many combinations of facts. The more complex the decision, the faster the complications add up.

Researchers suggest that intuition, in the form of very large repertoires of patterns acquired over years of practice, helps people make better decisions. Formal analyses can be valuable to supplement intuition, but it cannot replace it.

Shavinina, who conducts workshops on developing these important business traits, says that "tapping unconventional approaches, a good dose of creativity and the ability to solve problems in innovative ways are great learning tools for today's exporters. If it worked for Dell and Morita, it could work for any Canadian exporter."

For more information, go to www.innocrex.com.

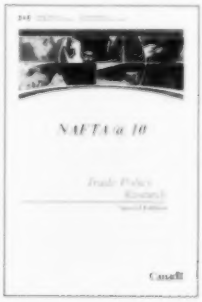
Problem-solving tips

- **The first option is likely to be the best**
- **Use analysis to support your intuition**
- **Put more energy into understanding than in deliberating over what to do**
- **Do not confuse desires with intuition**
- **Think ahead and consult the experts**

FACTS & FIGURES

NAFTA @10 part one: a look back

A recently released research volume produced by Foreign Affairs and International Trade Canada examines the impact of the Canada-U.S. Free Trade Agreement (FTA) and the North American Free Trade Agreement.



The first chapter provides an overview from a Canadian perspective, and finds that although implementing the agreements necessitated short-term adjustment costs, they have ultimately delivered both positive and substantial impacts.

Effects have been strongest on trade, with bilateral Canada-U.S. trade from 1985 to 1995 rising 139% in sectors for which trade was liberalized, but only 64.5% in non-liberalized sectors. Studies also suggest productivity has improved as a result of the trade agreements, with one finding that in the absence of the FTA, manufacturing productivity would have been 5% lower in 1996.

Given that higher productivity contributes to higher incomes for Canadians, this is a particularly striking result. The agreements have also increased the variety of goods and services available, and may have positively affected direct investment.

For more information, go to www.international.gc.ca/eet/research/trade_reseach-en.asp to read the *NAFTA@10* report.

Provided by the Office of the Chief Economist, Foreign Affairs and International Trade Canada (www.international.gc.ca/eet).

TRADE EVENTS

AEROSPACE & DEFENCE

Bangalore, February 7-11, 2007 > Aero India 2007, an international aerospace and defence exhibition, will focus on global aerospace and aviation business activity, from suppliers to aircraft manufacturers to technology providers and services.
Contact: Canadian Trade Office in Bangalore, tel.: (011-91-80) 2559-9418 or 2558-1116, fax: (011-91-80) 2559-9424, email: baglr@gocindia.org, websites: www.infoexport.gc.ca/in, http://aeroindia.gov.in.

AGRICULTURE, FOOD & BEVERAGES

Monterrey, February 22-24, 2007 > ExpoCarnes 2007, held every two years, is an international meat industry exhibition and convention that links the world's meat and poultry suppliers, distributors and meat packers.
Contact: Canadian Consulate General in Monterrey, tel.: (011-52-81) 8344-3200/2753, fax: (011-52-81) 8344-3048, email: monterrey@international.gc.ca, websites: www.infoexport.gc.ca/mx, www.expocarnes.com.

Guadalajara, March 13-16, 2007 > ANTAD 2007 is one of the top trade shows for the retail food industry in Mexico. Grocery chains throughout Mexico send their top buyers to source new products at this event.
Contact: Marcello DiFranco, Canadian Embassy in Mexico, tel.: (011-52-55) 5724-7900, fax: (011-52-55) 5724-7982, email: mexico.commerce@international.gc.ca, website: www.antad.org.mx.

ARTS & CULTURAL INDUSTRIES

Philadelphia, February 16-19, 2007 > The Buyers Market of American Craft, a wholesale show, offers a venue for innovative artists to connect with qualified galleries. It provides a professional setting for the development of wholesale contacts and generates new business for both buyers and sellers of American craft art.
Contact: Anna Gibbs, Canadian Embassy in Washington D.C., tel.: (202) 682-1740, fax: (202) 682-7795/7619, email: anna.gibbs@international.gc.ca, website: www.americancraft.com.

BUILDING PRODUCTS

New Delhi, March 24-26, 2007 > The Building Materials and Construction Technologies trade fair is a great place for Canadian exporters in this sector to showcase their products and services to buyers in one of the world's booming construction and building markets.
Contact: Federation of Indian Chambers of Commerce & Industry, tel.: (011-91) 11-309-104-11/237-387-6070, fax: (011-91) 11-237-21504/233-20714.

ENVIRONMENTAL INDUSTRIES

Dubai, March 13-15, 2007 > Wetex 2007, an international exhibition and conference on water, energy technology and environment, is an important platform for national and international companies to access a wide range of the latest water technology and management solutions.
Contact: Brigitte Mertens, Canada Unlimited, tel.: (416) 237-9939, fax: (416) 237-9920, email: bmertens@canada-unlimited.com, website: www.canada-unlimited.com.

ICT

San Jose, January 23-25, 2007 > Join the Canadian photonics showcase at Photonics West 2007, North America's largest commercial exhibition on optics, lasers, biomedical optics, optoelectronic components and imaging technologies. The event attracts more than 1,000 exhibitors and 15,000 attendees from both the San Jose area and the international optics and photonics community.
Contact: Suzanne Auger, National Research Council of Canada, tel.: (613) 993-4485, email: suzanne.auger@nrc-cnrc.gc.ca.

Shanghai, March 21-23, 2007 > Take part in electronicaChina, the country's leading fair for the components and communication platforms for the electronics industry. It integrates power electronics, display technology and mobile communication. ProductronicaChina, held concurrently with electronica, presents the corresponding production technologies. Together, these fairs represent the entire value-added chain of the electronics industry.
Contact: Messe Munchen, tel.: (011-49-89) 949-203-20/203-22, fax: (011-49-89) 949-972-03-22, email: info@global-electronics.net, website: www.global-electronics.net.

MULTI-SECTOR

Hannover, April 16-20, 2007 > Hannover Messe, or Hannover Fair, is one of the leading international showplaces for industrial technologies, materials and product ideas. The thirteen trade shows that make up this fair highlight the entire industrial automation chain.
Contact: Co-Mar Management Services Inc., tel.: (416) 690-0331, toll free: 1-800-727-4183, email: info@hf-canada.com, website: www.hannovermesse.de.

ENQUIRIES SERVICE

Foreign Affairs and International Trade Canada's Enquiries Service provides departmental information, publications and referral services to Canadian exporters. Contact us at: **1 800 267-8376** (National Capital Region: (613) 944-4000), TTY: (613) 944-9136, email: **enqserv@international.gc.ca**, website: **www.international.gc.ca**.

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